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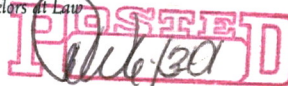
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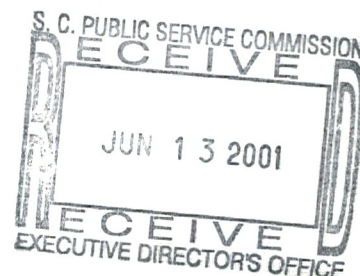
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June 12, 2001

Via Hand-Delivery

Mr. Gary E. Walsh
Executive Director
South Carolina Public Service Commission
Synergy Business Park
101 Executive Drive
Columbia, SC 29210



Re: Application of AmeriMex Communications Corp. for a Certificate of Public Convenience and Necessity to Provide Local Exchange Telecommunications Services - Docket No. 2001-83-C

Dear Mr. Walsh:

Please consider this letter as Amerimex Communications Corp.'s a response to the concerns about its proposed tariff rate for basic local service raised by Commissioner Atkins on behalf of himself and Commissioner Clyburn at today's meeting.

As you will recall, Amerimex filed its application in the above docket on March 1, 2001, requesting certification to provide local exchange service, initially on a prepaid basis, in South Carolina. As is required, Amerimex filed its proposed tariff with its application and indicated that its proposed rate for basic exchange service is \$59.00. As is required, Amerimex filed prefiled testimony in support of its application. As is its practice, Commission staff also filed prefiled testimony concerning Amerimex's financial condition and Amerimex's application, including specific testimony regarding Amerimex's tariff. Other than three minor changes recommended in Mr. Coates' testimony and one minor change agreed to at the hearing, staff had no other concerns with Amerimex's tariff, including the rate. Further, at the hearing, Mr. Coates summarized Amerimex's application and tariff and specifically read the \$59.00 rate into the record. Although the full Commission was present, no one questioned Amerimex's rate.

Therefore, Amerimex was quite surprised to learn today when I notified them that the Commission does in fact have concerns about the rate. Although there is nothing in the record to

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support the assertion, apparently the Commission is concerned that Amerimex's rate is ten dollars higher than other prepaid local exchange carriers doing business in South Carolina.

If Amerimex's witness had had the opportunity to address this issue at the hearing, he would have indicated that Amerimex is in a highly competitive environment, vying for business with some thirty or forty other prepaid carriers, not to mention the hundreds of other CLECs providing local service. Amerimex would have advised the Commission that the \$59.00 rate was established taking into account a number of business factors, not the least of which is Amerimex's costs, but that Amerimex is prepared to be quite flexible on this rate depending on the competition. Amerimex's experience in other states is that, in some environments, customers are willing to pay an incremental amount more for Amerimex's services, including the benefits which flow from the bilingual training Amerimex gives its customer service representatives in order to serve both its English-speaking and Spanish-speaking customers. Amerimex would have further asserted that \$59.00 is not in fact outrageously out of line with other prepaid carriers, even if it is higher than most.

Because Amerimex was unaware of any of these concerns which were not made a part of the record, Amerimex believes it is now faced with the choice of agreeing to a basic local rate of \$49.00 or risking delay or failure in its efforts to be certified to provide service in South Carolina. **Therefore, in the interest of moving forward and getting this matter concluded, Amerimex consents to lowering its proposed rate for prepaid local exchange service from \$59.00 to \$49.00.** Amerimex will make this change, along with the other recommended changes, in its final tariff to be filed upon certification.

Please call me if you or the Commission have any questions or other concerns. I understand that June 19 is the final day upon which action must be taken on this application. Amerimex will work with the Commission however it needs to in order to meet this deadline. With best regards, I am

Very truly yours,


Faye A. Flowers

cc: F. David Butler, Esquire
Adelaide Kline, Esquire
Mr. Donald L. Aldridge
Collette Capretz, Esquire